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MAJORITY CAUCUS CHAIR

Testimony to Assembly Committee on Transportation In Support of Assembly Bill 849 By Representative Mark Honadel

Chairman Petrowski, Vice Chair Bies and members of the committee, I am here to speak in support of Assembly Bill 849, which I co-authored with Senator Jeff Plale.

Assembly Bill 849 was drafted when a business in Southeast Wisconsin brought to my attention an issue that could potentially force this business owner to relocate his business to the state of Illinois. ProDriver Leasing is based in Greenfield, Wisconsin and provides professional drivers to all sectors of the transportation industry. Their drivers transport vehicles between dealers, manufacturers and distributors to their customers, many of which are Fortune 500 companies located throughout the lower 48 states.

Since ProDriver does not have an ownership interest in the vehicles they are driving, they are required to acquire a vehicle transporter license plate which is used during the vehicle transfer. Current Wisconsin state law does not provide for a third-party to use a transporter plate for this purpose, only issuing plates to dealers, manufacturers and distributors. Since ProDriver cannot acquire Wisconsin transporter plates, they have been acquiring Illinois transporter plates from their branch office located in the Chicago area. The Illinois Department of Transportation is now requiring that ProDriver move their corporate headquarters from Wisconsin to Illinois if they wish to continue using Illinois transporter plates for their business. Such a move would result in a loss of at least 100 Wisconsin jobs, and would be yet another business that decides to relocate to another state because of regulatory issues.

Assembly Bill 849 provides a simple solution to this problem for both ProDriver as well as any other Wisconsin businesses that use third-party drivers to transport vehicles. The amended language would allow any 3rd party that doesn't have ownership interest to display a transporter registration plate to move a vehicle to the purchaser. My office, along with the office of Senator Plale and Representative Krusick worked on this bill with the Division of Motor Vehicles to ensure that the change is one that would not create any registration problems and resolve this issue. The language in this bill reflects the language suggested by the Division of Motor Vehicles section bureau chief. In addition, there is no negative fiscal impact from this bill.

(over)

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I encourage the committee to support and promptly exec Assembly Bill 849 and take this opportunity to help keep a Wisconsin business in Wisconsin and eliminate any competitive advantage that may exist in the state of Illinois and other neighboring states that issue less restrictive transporter plates.

Thank you again for your consideration, I'll be happy to answer any questions from committee members.

Testimony of Senator Plale
Assembly Bill 849
Assembly Committee on Transportation

Thank you Chairman Petrowski and members of the committee for your consideration of Assembly Bill 849, a Bill I co-authored with Representative Honadel and Representative Krusick.

ProDriver representatives came to Representative Krusik, Representative Honadel and I to express their concern for rules within the Department of Motor Vehicles that will potentially force their business to re-locate out of state. Because of regulations within state statute, Wisconsin is at risk of losing a thriving business and about 100 people are at risk of losing their jobs.

I urge you, Chairman Petrowski and members of the committee to support Assembly 849 and eliminate incentive for businesses like ProDriver to move out of Wisconsin, taking valuable business and high paying jobs with them.

Current Wisconsin law only allows dealers and manufacturers to acquire and use transporter plates. No party that does not have ownership interests in the vehicle being transported is able to acquire such plates. These strict regulations are detrimental to Wisconsin businesses. Representative Krusik, Representative Honadel and I worked closely with ProDriver and the Department of Transportation on specific language to remove regulatory restrictions on transporter plates. Changes that will allow ProDriver and other Wisconsin based driver leasing companies to use Wisconsin transporter plates, enabling them to remain in Wisconsin. Passage of AB 849 will not have a fiscal impact on the state budget but failure of passage will.

Regulatory changes addressed in Assembly Bill 849 are in the best interest of Wisconsin businesses and again, I urge the committee to support its passage. I am happy to answer any questions you may have at this time.

